



Bormioli Pharma S.p.A.

"Whistleblowing report handling" procedure

Approved by the Board of Directors

on 25/07/2019

Bormioli Pharma S.p.A.

Sole Shareholder Company subject to the management and coordination by Blitz LuxCo S.à r.l.

Registered Office: Corso Magenta, 84 - 20123 Milano (MI), Italy - **Operating Headquarters:** Viale Giovanni Falcone 48/A – 43122 Parma (PR), Italy - T + 39 0521362620
S.C. € 3.000.000,00 - Tax Code and V.A.T. n. 10122920969 - Company Code and Economic Administrative Index (REA) n. MI-2506962

DOCUMENT REVIEW SHEET**IDENTIFICATION**

DOCUMENT TITLE	<i>"Whistleblowing report handling" procedure</i>
-----------------------	---

REVISIONS

VERSION	DATE OF ISSUE	COMMENTS	SIGNATURE
V.01	25/07/2019	First issue	

CONTENTS

<u>1. GLOSSARY</u>	4
<u>2. LEGISLATIVE FRAMEWORK</u>	5
<u>3. AIM AND PURPOSE OF THE PROCEDURE</u>	6
<u>3.1 PERSONS WHO CAN MAKE WHISTLEBLOWING REPORTS</u>	6
<u>3.2 CONTENT OF WHISTLEBLOWING REPORTS</u>	7
<u>3.3 RECIPIENTS OF THE WHISTLEBLOWING REPORTS</u>	7
<u>3.4 METHODS OF SUBMITTING WHISTLEBLOWING REPORTS</u>	8
<u>3.5 METHODS OF VERIFYING AND HANDLING WHISTLEBLOWING REPORTS</u>	8
<u>3.6 PROTECTION OF THE WHISTLEBLOWER FROM RETALIATION</u>	11
<u>3.7 RIGHTS OF THE SUBJECT REPORTED</u>	11
<u>4. COORDINATION WITH PROCEDURE CONCERNING INFORMATION FLOWS AND THE DISCIPLINARY SYSTEM</u>	11
<u>5. UPDATE TO THE PROCEDURE</u>	12

GLOSSARY

System Administrator: person responsible for overseeing the Company's operating system resources and allowing them to be used;

Board of Directors: collegial body that exercises all powers of ordinary and extraordinary administration, excluding those assigned by law or these Articles of Association to another Company body;

Company: Bormioli Pharma S.p.A., with registered office in Via Corso Magenta 84, 20123 Milan (MI) - Italy;

Model 231: Organisation, Management and Control Model adopted by the company with a view to precluding the administrative liability of legal persons provided for by Italian Legislative Decree no. 231 of 8 June 2001;

Supervisory Body: a body with autonomous powers of initiative and control, tasked with monitoring the implementation and observance of Model 231 (Article 6 of Italian Legislative Decree (D.Lgs.) no. 231 of 8 June 2001);

Legal Counsel & Compliance Officer: officer tasked with ensuring that the activities carried out by the Company comply with applicable legislation and verifying the fitness for purpose of the Internal Control System and the regularity of conduct;

Whistleblower: person who reports the irregularities, non-compliance or improper conduct covered by the whistleblowing report;

Subject reported: person to whom the whistleblower attributes the irregularities, non-compliance or improper conduct covered by the whistleblowing report;

Whistleblowing report: disclosure by the whistleblower of all evident or suspected acts or omissions capable of constituting a breach of the obligations arising from the employment contract entered into between the Company and the employee and/or equivalent worker or of Model 231 and the associated elements.

LEGISLATIVE FRAMEWORK

Law no. 179 of 30 November 2017 (“Provisions for the protection of whistleblowers who report crimes or misconduct of which they become aware in the context of private or public employment”), which came into force on 20 December 2017, falls within the scope of application of the legislation governing the fight against corruption, of which the protection of individuals who report an unlawful action, commonly known as “whistleblowers”, is a fundamental aspect. To this end, greater protection against potential discrimination is guaranteed for employees who report unlawful actions, including various ways to avoid making the identity of the whistleblower public.

While on the one hand, the figure of the whistleblower plays an essential role in effectively combating corruption (since s/he has more opportunities to become aware of unlawful conduct because s/he operates within the organisation), on the other, insufficient protection could expose the whistleblower to retaliation on the part of the Employer, with foreseeable financial, career and health implications that generally serve to deter individuals from becoming whistleblowers. To that end, the aforementioned law protects the whistleblower by establishing that any retaliatory or discriminatory action – including dismissal or change of position – that the individual may face in the period following the report is invalid, putting sanctions in place for breaches of whistleblower protection measures.

Finally, it should be noted that ensuring proper “whistleblower” protection is also in the public interest, as it can contribute to the exposure of any corruption or mismanagement.

With regard to the Organisational Model 231 pursuant to Italian Legislative Decree no. 231/2001, Law no. 179/2017 adds a new provision to article 6 “Individuals in senior positions and organisational models of the entity” that provides a framework for the measures linked to the presentation and management of whistleblowing reports.

In order to protect the subjects reported and to limit illicit whistleblowing, the regulation in question also establishes that reports of unlawful conduct must be adequately and exhaustively documented and “able to bring actions and situations to light by relating them to specific contexts”, and sanctions are also contemplated for accusations made with intent or gross negligence that prove unfounded.

The law states that the Model 231 must have channels for reporting breaches of the Model itself and significant offences pursuant to Legislative Decree 231/2001. The legislation in question, in particular, requires that the reporting channels must guarantee confidentiality with regard to the identity of the whistleblower during the various stages of handling the whistleblowing report, and that such guarantees are ensured via electronic means, setting out specific sanctions for breaches of these confidentiality requirements.

AIM AND PURPOSE OF THE PROCEDURE

The aim of this Procedure is to establish the prerequisites and methods via which employees, collaborators and third parties (as identified in par. 3.1 below) can report any suspicions of misconduct in breach of the provisions set out in the Organisational Model and/or the Code of Ethics to the Supervisory Body, and any other events and/or behaviours that constitute one of the offences covered by Italian Legislative Decree 231/2001 and/or other activities that do not comply with company procedures and policies in force.

This Procedure also governs the process of receiving, analysing and dealing with the whistleblowing reports in question, while guaranteeing the anonymity of the whistleblower except in cases in which, in accordance with art. 6 of Italian Legislative Decree 231/2001, it is necessary to ascertain that the reports received were unfounded and made with intent or gross negligence, so that disciplinary proceedings can be taken against the person responsible. Under these specific circumstances only, as governed by paragraph 3.5 below, the Supervisory Body may write to the System Administrator to request access to the identification details of the whistleblower and disclose these details for these purposes.

In general, the purposes of this Procedure can be summarised as follows:

- to provide information on **who** can make whistleblowing reports (par. 3.1);
 - to specify **what** can be covered by a whistleblowing report (3.2);
 - to outline the **methods** for sending whistleblowing reports (par. 3.3);
 - to identify the **recipients** of the whistleblowing reports (3.4);
 - to establish the **methods for managing and verifying** the whistleblowing reports (3.5);
 - to set out the **authorisation procedure to be carried out by the Supervisory Body** and the conditions under which the System Administrator may access the whistleblower's data (3.5.1.);
 - to set out the **measures in place to protect the whistleblower**, in accordance with the legislation in force (3.6 and 3.7).
- **PERSONS WHO CAN MAKE WHISTLEBLOWING REPORTS**

In accordance with the legislative framework and in keeping with best practices, the following persons can make whistleblowing reports:

- senior management of the Company and members of the corporate bodies;
- employees, collaborators, legal representatives and all those who act in the name and on behalf of the Company;

- persons outside the Company who have an interest in it (e.g. suppliers, consultants, agents and/or intermediaries, etc.);
- anyone with information on suspicious activity and any breaches of elements of the Company's Internal Control System who has an interest in disclosing these to the Company.
- **CONTENT OF WHISTLEBLOWING REPORTS**

The persons identified in par. 3.1 can report:

- evident or suspected breaches of the provisions of the Organisational Model and the Code of Ethics adopted by the Company;
- evident or suspected conduct and/or behaviours that may constitute one of the relevant offences under Italian Legislative Decree no. 231/2001, as identified in Annex 1 to the general section of the Model;
- other potential evident or suspected acts or omissions engaged in that breach company procedures/policies in force;
- any other evident or suspected acts or omissions capable of constituting a breach of the obligations arising from the employment contract entered into between the Company and the employee and/or equivalent worker or its collaborators. In the latter case, as specifically governed by paragraph 3.5, the Supervisory Body will be responsible for tasking the relevant Human Resources function with handling the whistleblowing reports and initiating any contractual disciplinary proceedings.

Whistleblowing reports must be well-founded and, therefore, based on specific and consistent elements.

To that end, the whistleblower must:

- accurately describe the facts being reported;
- specify the person(s) responsible for the breach(es), and any other individuals involved and/or capable of providing information on the events;
- specify the time and place in which the events being reported occurred, if this information is known;
- disclose any personal interest in making the report;
- include all available documents that can confirm that the events being reported actually occurred;
- provide all elements that may be useful to reconstructing the events and verifying that the report is well-founded.
- **RECIPIENTS OF THE WHISTLEBLOWING REPORTS**

The whistleblowing reports referred to in this Procedure must be sent to the Company's Supervisory Body, which will verify that they are well-founded using to the methods set out in par. 3.5 below and arrange for them to be handled in accordance with the legislative requirements referred to in art. 6 of

Italian Legislative Decree 231/2001 and the principles of anonymity and confidentiality set out in paragraphs 3.5.1, 3.6 and 3.7.

○ **METHODS OF SUBMITTING WHISTLEBLOWING REPORTS**

Given the appropriateness of using electronic means to collect reports, and in full compliance with the regulatory obligations arising from Italian Legislative Decree 231/2001, the Company has made a specific section available on the company website to facilitate the anonymous sending of whistleblowing reports. As specified in par. 3.2, the dedicated section of the website can be used to send reports relevant to Model 231 and all associated elements (Code of Ethics, Control Protocols 231 and associated procedures) and reports relating to suspected improper and/or illegal conduct from a disciplinary perspective, concerning the contractual relationship between employees or equivalent workers and the Company.

The dedicated electronic channel is the preferred means for submitting whistleblowing reports.

If the whistleblower chooses not to use this channel, reports can be submitted by standard post or using the internal mail service, on plain paper or by filling out the form referred to in Annex 1 of this Procedure, marked for the attention of the Company's Supervisory Body. In that instance, in order to ensure the protection of confidentiality and anonymity referred to above, the whistleblower will be responsible for sending the report to the Supervisory Body in a sealed envelope, clearly marked "STRICTLY CONFIDENTIAL. FOR THE ATTENTION OF THE SUPERVISORY BODY ONLY".

Any disclosures made verbally and/or over the phone, relating to the whistleblowing reports, will not be taken into account unless subsequently formalised using the methods set out in this Procedure.

○ **METHODS OF VERIFYING AND HANDLING WHISTLEBLOWING REPORTS**

Following submission of a whistleblowing report, received via one of the methods referred to in paragraph 3.4 above, the members of the Supervisory Body appointed to handle the same will perform an initial analysis and take all action deemed necessary to verify that the report is well-founded, following an initial investigation by the Compliance Officer, who has regular access to the Supervisory Body's account.

To that end, the action taken by members of the Supervisory Body to investigate or verify whether the report is well-founded and the credibility of the sender shall be documented in a dedicated internal register set up by the Compliance Officer, so that the aforementioned activities can be dated, documented and subject to subsequent monitoring and control activities.

The whistleblower can request information on the status of the whistleblowing report at any time, and/or supplement it with additional information, exchanging messages with members of the Supervisory Body (this can also be done anonymously, if using the *website* that provides for this option).

A whistleblower who initially opts to make a whistleblowing report anonymously through the *company website* can reveal his/her identity at any point in the subsequent process phases if s/he changes her/his mind.

The recipients of a whistleblowing report examine the facts reported and (any) documents received and, if they consider it necessary and/or appropriate for the purposes of verifying that the report is well-founded, may:

- contact the whistleblower (if s/he is not anonymous) and invite them to a confidential in-person meeting for the purposes of obtaining clarification and/or supplementary details regarding the information and documents provided;
- conduct a hearing involving any other individuals who may be able to provide information on the events reported;
- carry out any other verification and investigation activities deemed appropriate for the purposes of verifying the report.

If, following an initial analysis, the report received is found to relate to evident or suspected acts or omissions capable of constituting a breach of the obligations arising from the employment contract entered into between the Company and the employee and/or equivalent worker or its collaborators that falls outside of the scope of Model 231, the members of the Supervisory Body will task the relevant Human Resources function of the Company with carrying out the appropriate verification activities and/or initiating the resulting disciplinary proceedings, in accordance with the criteria set out in paragraph 5 of the Disciplinary System 231 document adopted by the Company.

In carrying out the verification activities, where deemed necessary, the members of the Supervisory Body can avail of the support of the Legal Counsel & Compliance Officer of the Company and/or external consultants appointed as required.

Any members of the working group, involved in examining the whistleblowing report, are subject to the same confidentiality requirements and the same responsibilities as the members of the Supervisory Body. As such, all of these individuals are obliged to refrain from examining and verifying the whistleblowing report in the event of a conflict of interests.

The members of the Supervisory Body prepare and keep a record of the minutes of any meetings relating to the verification activities carried out independently and/or with the support of any

company functions involved, making a note of such in the internal register set up by the Compliance Officer.

At the end of the verification process, members of the Supervisory Body will prepare a report on the activities performed and, if the events contained in the whistleblowing report are found to be unfounded or non-existent, or if the subject reported is found not to have been the person actually responsible for those events or is found to be beyond reproach due to prior or intervening circumstances, the whistleblower will be promptly notified, and the report will be archived, with a note specifying the reasons, in the internal register.

Under such circumstances, however, if the verification process referred to above reveals that the whistleblowing report in question is manifestly unfounded and was made with intent or gross negligence by the whistleblower, the members of the Supervisory Body are obliged to initiate disciplinary proceedings, as described in the Disciplinary System 231 document adopted in accordance with art. 6, par. 2, lett. e) of Italian Legislative Decree 231/2001.

If, on the other hand, the verification process concludes that the report is well-founded (or appears to be so), the members of the Supervisory Body will initiate disciplinary proceedings against the subject reported, as described in the Disciplinary System 231 document adopted in accordance with art. 6, par. 2, lett. e) of Italian Legislative Decree 231/2001.

Under such circumstances, the members of the Supervisory Body will also request that all other action required to comply with the Model and the company practices involved in the breach is taken, submitting recommendations to the Board of Directors concerning improvement actions to be implemented.

In this case, too, the members of the Supervisory Body will record the result of the *procedure* in the dedicated internal register, together with any disciplinary sanctions applied to the subject reported, and the commencement of any criminal or civil proceedings against that person.

The reports and accompanying documentation will be stored by the Supervisory Body for 5 years from completion of the verification and assessment activities undertaken. Access to such documentation is only granted to members of the Supervisory Body or any persons appointed by the same (e.g. Legal Counsel & Compliance Officer, specifically appointed consultants, System Administrator, etc.).

As such, the members of the Supervisory Body are responsible, at every stage in the process described above, for storing the documentation they receive and archiving it using methods that guarantee its integrity and completeness.

In particular, the data of the whistleblower and the subject reported will be processed in compliance with legislation in force on personal data protection.

○ **PROTECTION OF THE WHISTLEBLOWER FROM RETALIATION**

The Company does not tolerate threats, retaliation and/or discrimination against those who make whistleblowing reports in good faith.

By way of non-exhaustive example, retaliation and/or discrimination shall be understood to mean unjustified disciplinary action, unwarranted changes of tasks, harassment in the workplace and/or any other type of mobbing directly and/or indirectly associated with the whistleblowing report made, which impacts on the work conditions of the whistleblower.

A whistleblower who believes that s/he has been subject to retaliation and/or discrimination as a consequence of the whistleblowing report made can notify the Supervisory Body using the same electronic tool used to make and handle the reports, allowing the Body to consider:

- whether it is necessary/appropriate to submit a specific report to the relevant Human Resources function to require the latter to restore the situation and/or remedy the negative effects of the discrimination;
- whether the circumstances exist to take disciplinary proceedings against the individual responsible for the retaliation and/or discrimination, in accordance with legislative provisions, as provided for by the Disciplinary System 231 document adopted in accordance with art. 6, par. 2, lett. e) of Italian Legislative Decree 231/2001.

The whistleblower, in any case, has the right to report the discriminatory behaviour to which s/he believes s/he has been subject to her/his trade union or the representative union body at the company, in the form and within the limits provided for by applicable laws.

○ **RIGHTS OF THE SUBJECT REPORTED**

Over the course of the process of verifying and assessing the misconduct and breaches covered by the whistleblowing report, the subject reported will not be subject to the disciplinary proceedings provided for in the Disciplinary System 231 document as a result of the whistleblowing report received, unless the content of the report is concretely and certainly confirmed. As mentioned, potential action may be taken if confirmed and verified evidence is obtained that shows the report to be unfounded and that the whistleblower acted with intent or gross negligence.

COORDINATION WITH PROCEDURE CONCERNING INFORMATION FLOWS AND THE DISCIPLINARY SYSTEM

This Procedure is part of the system implemented by the Company in accordance with the provisions of Italian Law 179/2017 and, in coordination with the "Information Flows to the Supervisory Body" procedure defined and adopted by the Company, it facilitates the oversight activity performed by the Supervisory Body.



Any person who engages in conduct that breaches this Procedure and/or the ethical and control principles set out in the Organisation, Management and Control Model under Italian Legislative Decree 231/2001 and the Code of Ethics adopted by the Company and referred to herein will be subject to the disciplinary proceedings provided for in the Disciplinary System 231 document, annexed to the aforementioned Model.

UPDATE TO THE PROCEDURE

This Procedure for reporting misconduct is subject to periodic review, at least every two years, based on its effectiveness in the preceding period.

ANNEX 1

FORM FOR REPORTING A BREACH OR SUSPECTED BREACH

The report relates to a breach or suspected breach of the Organisation, Management and Control Model under Italian Legislative Decree 231/2001 and/or the Code of Ethics, as well as Company procedures and policies, or any other evident or suspected acts or omissions capable of constituting a breach of the obligations arising from the employment contract entered into between the Company and the employee and/or equivalent worker or its collaborators.

Persons who make a whistleblowing report are protected against any form of retaliation or discrimination in the workplace and the confidentiality of his/her identity is guaranteed within the limits provided for by law or required to protect the Company.

The whistleblowing reports received and the appropriateness of consequent measures are assessed having heard, where necessary, the person who submitted the whistleblowing report and/or the person responsible for the alleged breach.

Use of the report made for the sole purposes of retaliation or causing harm will be subject to sanctions.

AUTHOR OF THE CONDUCT REFERRED TO IN THE REPORT:

DETAILED DESCRIPTION OF THE CONDUCT PROMPTING THE REPORT:

DATA OF WHISTLEBLOWER (IF THE REPORT IS NOT ANONYMOUS):
Name and Surname:
Function:
Contact (telephone or e-mail):

Date

Signature